

House Watch

A summary of today's House actions;
published daily when the House is in session.



4/10/08

FINAL PASSAGE

[HB 4839](#)

(Farrah)

The bill would clarify a number of the procedures used by law enforcement agencies and tow-truck operators, in order to deal with vehicles abandoned along the roadways.

- Committee substitute H-2 was adopted
- HB 4839 advanced to 3rd Reading
- HB 4839 was passed [RC 253: 105 yes, 0 no]

[HB 5863](#)

(Sak)

The bill would amend the newly enacted Michigan Business Tax Act to exclude from the tax base, beginning with the 2008 tax year, all film rental or royalty payments paid by a theater owner to a film distributor and/or a film producer. The bill does this by including these payments in the definition of "purchases from other firms." These purchases are excluded from gross receipts when determining the MBT tax base. Currently, the MBT Act includes in the term "purchases from other firms" 50 percent of these payments for tax year 2009 and all of the payments for tax years 2010 and beyond.

- Acciavatti-1 falls
- Meekoff-2 falls
- Stakoe-3 falls
- Emmons-4 falls
- Sak Substitute H-1 was adopted
- HB 5863 advanced to 3rd Reading
- HB 5863 was passed [RC 252: 103 yes, 2 no]
- IE was ordered

SB 1203

(Richardville)

Senate Bill 1203 would amend the same act so that if a municipality has created a local development finance authority in which a certified technology park, or SmartZone, has been designated, that municipality could enter into an agreement with another authority that does not contain a technology park to designate a distinct geographic area within the second authority district as a technology park. A copy of the designation would have to be filed with the Michigan Economic Development Corporation (MEDC). [This allows, generally speaking, for a community without a designated Smart Zone to have a Smart Zone by piggybacking on a SmartZone in another community. The intent apparently is that this new Smart Zone territory would not count toward the total number of zones permitted, but would count as part of the "home" Smart Zone.] Under Senate Bill 1203, the authority making the designation would have to consider (1) the advantages of the unique characteristics and specialties offered by the public and private resources available in the distinct geographic area, (2) the benefits to regional cooperation and collaboration, and (3) whether designating the additional distinct geographic area adds value to the mission of the designated certified technology park.

- SB 1203 advanced to 3rd Reading
- SB 1203 was passed [RC 254: 105 yes, 0 no]
- IE was ordered

HB 5925

(Byrum)

The bill would amend the Michigan Liquor Control Code to create a small distiller license, which would apply to a manufacturer of spirits that manufactures no more than 60,000 proof gallons of spirits in Michigan annually, all brands combined. A small distiller could sell spirits at retail from its licensed premises for on-premises or off-premises consumption. The small distiller could also give samplings or tastings of brands manufactured on the premises. A small distiller could only sell at retail (1) brands it manufactures for consumption off the premises, at prices posted by the Liquor Control Commission; and (2) brands it manufactures for consumption on the licensed premises. Distillers would have to comply with the code's server training requirements. The bill would not allow the sale of spirits by mail order, Internet, telephone, computer, device, or other electronic means. The bill imposes a \$100 license fee for small distillers. A holder of a small distiller's license would not be considered a specially designated distributor (SDD), which is the license held by stores that sell spirits at retail.

- Committee substitute H-1 was adopted
- HB 5925 advanced to 3rd Reading
- HB 5925 was passed [RC 225: 105 yes, 0 no]
- IE was ordered

HB 5060

(Condino)

House Bill 5060 would amend the Revised Judicature Act to eliminate provisions that require authentication of the credentials of out-of-state and international judges and notaries public.

Currently under the law, when an affidavit is taken of a person who lives in another state of the United States or in any foreign country, it must be authenticated in order to be received in judicial proceedings. The authentication process requires certification by the consul general or some consul or deputy consul resident in the foreign country; or by a judge of a court. In the case of authentication by a judge, the genuineness of the judge's signature (as well as the existence of the court) must be certified by the court clerk. If the affidavit is taken in the United States (or any territory), it may be taken before a commissioner appointed by the governor to take affidavits; or before any notary public or justice-of-the-peace. Then the signature of the notary public or justice-of-the-peace must be certified by the clerk of any court of record in the county where the affidavit is taken, under the seal of the court. House Bill 5060 would eliminate this subsection of the Revised Judicature Act.

- HB 5060 advanced to 3rd Reading
- HB 5060 was passed [RC 256: 104 yes, 0 no]
- IE was ordered

HB 5277 (LeBlanc)

House Bill 5277 would amend the Public Health Code by adding Section 2841 (MCL 333.2841) to require an individual who discovers a dead body or evidence of the death of another person, without reason to believe the death has been reported to a law enforcement agency, to immediately inform a law enforcement agency of the discovery. A person in violation of this subsection would be guilty of a felony punishable by imprisonment for up to three years and/or a fine of not more than \$3,000.

- Committee substitute H-1 adopted
- LeBlanc-2 adopted
- HB 5277 advanced to 3rd Reading
- HB 5277 was passed [RC 257: 105 yes, 0 no]
- IE was ordered

SB 1118 (Pappageorge)

Michigan Business Tax incentive for entertainment facilities.

- SB 1118 was discharged from committee
- Melton substitute H-4 was adopted
- SB 1118 advanced to 3rd Reading
- SB 1118 was passed [RC 262: 92 yes, 13 no]
- IE was ordered

SB 1187 (Stamas)

Senate Bill 1187 (S-4 as amended) The bill would revise the Michigan Economic Growth Authority (MEGA) Act (MCL 207.803 & 207.805) to include tourism attraction facilities and

qualified lodging facilities in the definition of "eligible business," and add a "qualified high-wage activity" to the definition of "qualified high-technology business."

- Clemente substitute H-1 adopted
- SB 1187 advanced to 3rd Reading
- SB 1187 was passed [RC 258: 101 yes, 3 no]
- IE was ordered

SB 1188 (Gilbert)

Senate Bill 1188 (S-2) would amend the Michigan Business Tax Act (MCL 208.1431b) to allow a person or group of people acting collectively to enter into an agreement with MEGA for a tax credit based on qualified new jobs created as a result of winning a procurement contract offered by the U.S. Department of Defense, Department of Energy, or Department of Homeland Security. A recipient of the credit would have to create a minimum of 25 qualified new jobs.

- SB 1188 advanced to 3rd Reading
- SB 1188 was passed [RC 259: 102 yes, 3 no]
- IE was ordered

SB 1189 (Clarke)

Senate Bill 1189 (S-4) would amend the MEGA Act to:

-- Reduce, from 100 to 50, the minimum number of new jobs that a business must create or the number of retained jobs that business must maintain to qualify for an MBT credit through MEGA.

-- Delete requirements for an MBT credit granted by MEGA, relating to a determination that expansion, retention, or location of a business in Michigan will not occur without tax credits; local unit commitments to an eligible business for its expansion, retention, or -- location; and the reuse or redevelopment of property that was previously used for an industrial or commercial purpose.

-- Require MEGA, in determining the amount and duration of an MBT credit, to consider whether business expansion, retention, or location in Michigan would occur without tax credits and whether an authorized business reused or redeveloped industrial or commercial property, in addition to other factors.

-- Allow MEGA to execute new written agreements each year that, in total, provided up to 400 yearly credits over the terms of those agreements entered into that year, rather than up to 25 new agreements each year.

-- Beginning on January 1, 2008, allow MEGA to enter into an agreement for an MBT credit with a business that did not meet the criteria for a credit, if the business met certain requirements regarding job retention, new capital investment, and other factors, or the business agreed to occupy a "historic resource" that was located in a downtown district and met certain job creation or retention and wage level standards.

-- Specify that MEGA could not execute more than five new agreements each year for eligible businesses that occupied a historic resource located in a downtown district, and could not execute more than four such agreements for businesses in local units with a population over

16,000.

-- Require a new tax credit agreement to provide for the repayment of credits if the business moved jobs outside of Michigan.

- SB 1189 advanced to 3rd Reading
- SB 1189 was passed [RC 260: 98 yes, 7 no]
- IE was ordered

SB 1190

(Hunter)

Senate Bill 1190 (S-3) would amend the MBT Act to:

-- Allow certain MBT credits issued by MEGA to include the cost of health care benefits, as well as payroll, attributable to qualified new jobs.

-- Allow a tax credit for a qualified high-technology business, for up to seven years, of up to 200% of the sum of payroll and health care benefits attributable to employees who performed qualified new jobs, multiplied by the tax rate, for the first three years of the credit, and up to 100% of the sum of payroll and health care benefits attributable to those jobs, multiplied by the tax rate, for each remaining year of the tax credit.

-- Allow a tax credit to be issued to authorized businesses that otherwise did not meet the criteria for an MBT credit issued by MEGA, but met criteria in Senate Bill 1189 (S-3).

-- Specify that a taxpayer that failed to meet requirements for claiming an MBT credit issued by MEGA could have its credit reduced or terminated or added to its tax liability.

- SB 1190 advanced to 3rd Reading
- SB 1190 was passed [RC 261: 102 yes, 3 no]
- IE was ordered

SB 1192

(Barcia)

The bill would amend the newly enacted Michigan Business Tax Act to exclude from the tax base, beginning with the 2008 tax year, all film rental or royalty payments paid by a theater owner to a film distributor and/or a film producer. The bill does this by including these payments in the definition of "purchases from other firms." These purchases are excluded from gross receipts when determining the MBT tax base. Currently, the MBT Act excludes from the tax base 50 percent of these payments for tax year 2009 and all of the payments for tax years 2010 and beyond. The bill would move up the full exclusion by two years.

- SB 1192 advanced to 3rd Reading
- SB 1192 was passed [RC 263: 102 yes, 2 no]
- IE was ordered

MOTIONS AND RESOLUTIONS

[HB 5083](#)

(Meltzer)

Provide for expenditure reporting requirements for school districts.

- HB 5083 was discharged from committee
- HB 5083 was referred to Appropriations Committee